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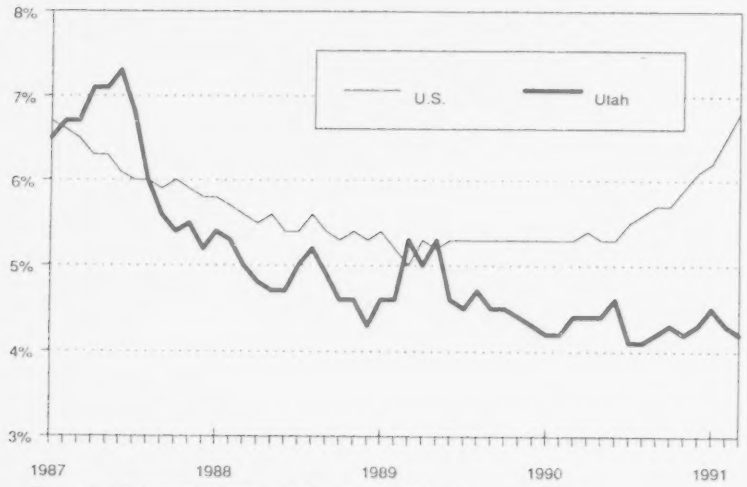
Utah Labor Market Report

March 1991
Volume 1, No. 3

Seasonally Adjusted Unemployment Rates



Source: Utah Department of Employment Security, Labor Market Information Services.

Utah beats back the recessionary hounds with continued strong job growth and low unemployment—

Utah's economy asks, "Recession? What recession?" Could the State escape any significant recessionary effects? It just might.

Utah's unemployment rate dropped one-tenth of a percentage point to 4.2 percent in March. Nearly 33,800 Utahns were out of work during March 1991—1,100 fewer than a year ago. In addition, the March 1991 jobless rate registered two-tenths of a point lower than Utah's March 1990 figure. On top of all this, the gap between the State and national joblessness continued to widen. Utah's unemployment rate is now more than two and one-half points below the national average.

Despite higher U.S. joblessness in March, the recent rise in the nation's Index of Leading Economic Indicators suggests that the U.S. will soon start to climb out of its economic downturn. (The unemployment rate tends to be a lagging rather than a leading indicator of economic health.) Utah may almost dodge this national downturn with only minor economic aches and pains.

Utah has created 31,500 net new nonfarm jobs over the past 12-month period for a strong, broad-based 4.4 percent gain. Even so, the State is not totally unscathed by the U.S recessionary fires. Utah has felt the sting of a few layoffs—in defense-related (private and public) industries and air transportation, for example. And, more have been announced for the next few months. Still, Utah's economy remains one of the strongest in the nation.

With a 7 percent expansion rate, the service industry generated the largest share of new Utah positions—13,000 since March 1990. New service industry employment represents 41 percent of Utah's total additional nonfarm positions. Computer services

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THE RATE *(Seasonally Adjusted)*

Mar 1991	Utah	4.2%	U.S.	6.8%
Feb 1991	Utah	4.3%	U.S.	6.5%
Mar 1990	Utah	4.4%	U.S.	5.3%

NONFARM JOBS *(% Change from a year ago)*

Mar 1991	Utah	4.4%	U.S.	-0.7%

CPI-U *(Base Year 1982-84 = 100)*

Feb 1991	U.S.	134.8	Yr-over chng	5.3%

PPI *(Base Year 1982-84 = 100)*

Feb 1991	U.S.	117.2	Yr-over chng	2.4%

(which include software companies) remained one of the hottest Utah industries. Employment in this sector is up 14 percent and 1,100 jobs.

One of the best construction performances in years has fueled employment expansion, supporting reports of a "hot Utah housing market." Construction employment is up almost 9 percent from March 1990—a net increase of 2,100 jobs.

The mining industry made a strong employment showing in March. Mining industry jobs are up 5 percent (400 jobs) due primarily to expansion in Utah's oil fields. However, if the price of oil drops, this expansion could prove short-lived.

The trade sector added 7,400 new jobs to Utah's total between March 1990 and March 1991 for a growth rate of 4.5 percent. Expansion proved particularly robust in retail trade. Eating and drinking places made a particularly energetic showing with 2,600 additional jobs and a year-to-year growth rate of 6 percent.

Finance/insurance/real estate jobs continued to show improved performance—employment is up 1,300 jobs and almost 4 percent. Even the banking industry has started to experience noticeable expansion—up over 2 percent.

Manufacturing jobs are still growing at a "remarkable" 3 percent rate. Since March 1990, Utah's manufacturing sector has netted 3,200 new jobs. Compared to national declines in manufacturing employment, Utah's "moderate" showing is particularly noteworthy. However, several manufacturing sectors are experiencing "slow or no" growth.

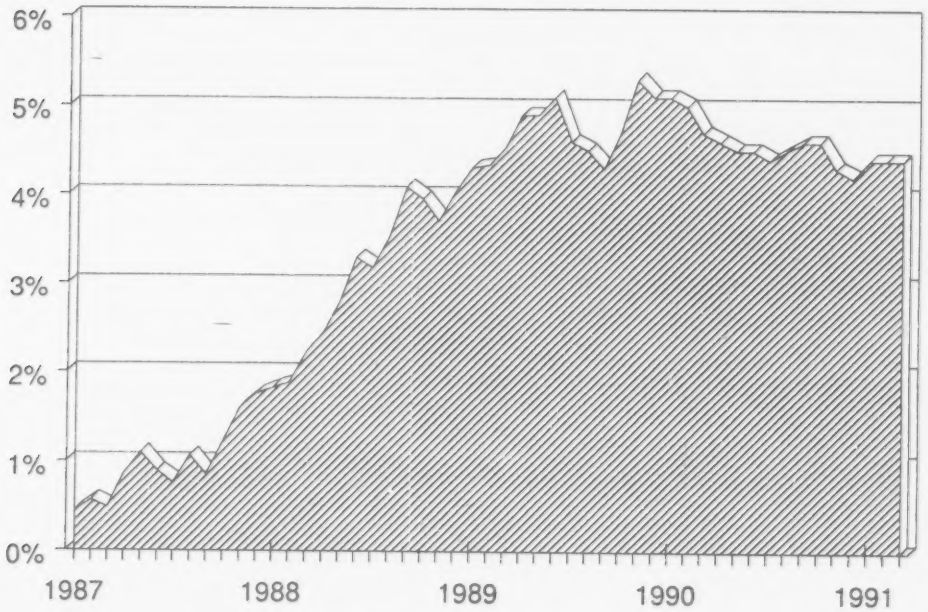
Government and transportation/communications/utilities experienced the slowest job growth—both encountered expansion rates near 2 percent. Government performance was again hampered by employment losses in federal government—primarily defense-related jobs. Since March 1990, transportation/communications/utilities (TCPU) added 800 new jobs but was inhibited by the recent loss of airline jobs.

All in all, Utah's economy is basically thriving—even in this recessionary and defense-cut environment. Of course, some sectors are feeling the pinch; but overall, Utah is the place to be during this economic downturn.❐

Lecia Parks Langston
Chief Economist

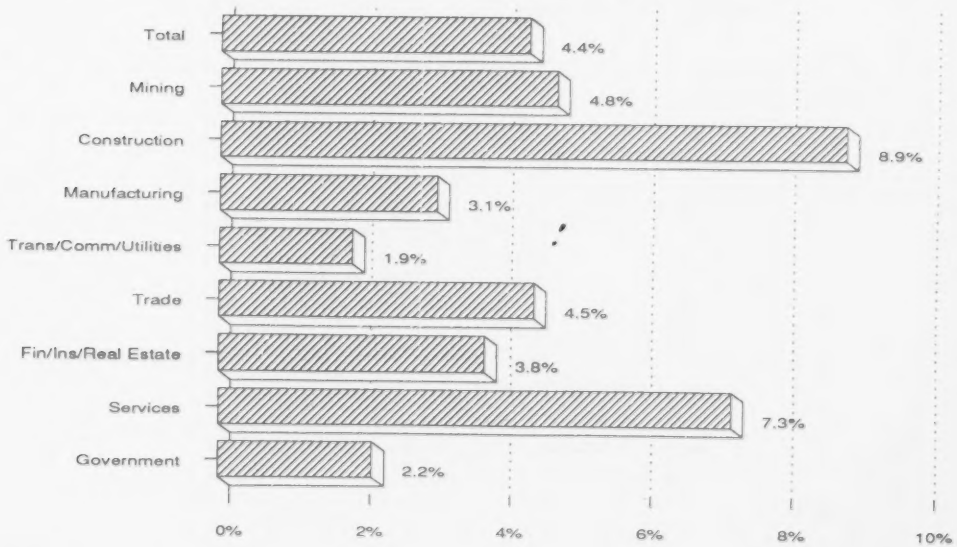
- ***Utah's unemployment rate edged down one-tenth of a percentage point to 4.2 percent.***
- ***With a 4.4 percent nonfarm job expansion rate, Utah is one of the top job producing states in the country.***
- ***The gap between Utah and U.S. unemployment rates widened to two and one-half percentage points in March.***
- ***Services, construction, and trade showed the strongest employment expansion over the past 12 month period.***

Year-Over Percent Change in Utah Nonfarm Jobs



Source: Utah Department of Employment Security, Labor Market Information Services.

March 1990-91 Percent Growth In Utah Nonfarm Jobs by Industry



Source: Utah Department of Employment Security, Labor Market Information Services.

RAW

Table 1. Utah Civilian Labor Force and Nonagricultural Jobs, Not Seasonally Adjusted *(Numbers in Thousands)*

	Mar 1991(r)	Mar 1990	Percent Change	Feb 1991(p)	Jan 1991(r)
CIVILIAN LABOR FORCE	**799.4**	**777.1**	**2.9**	**794.7**	**788.6**
Employed	**761.2**	**737.7**	**3.2**	**756.9**	**752.1**
Unemployed	**38.2**	**39.4**	**-3.0**	**37.8**	**36.5**
Percent of Labor Force	4.8	5.1	--	4.8	4.6
NONAGRICULTURAL JOBS	**739.6**	**708.1**	**4.4**	**731.2**	**728.9**
Mining	**8.7**	**8.3**	**4.8**	**8.7**	**8.7**
Metal Mining	3.0	3.0	0.0	3.0	3.0
Bituminous Coal Mining	2.6	2.6	0.0	2.6	2.6
Oil/Gas Extraction & Quarrying*	3.1	2.7	14.8	3.1	3.1
Contract Construction	**25.8**	**23.7**	**8.9**	**24.4**	**24.6**
Manufacturing	**108.1**	**104.9**	**3.1**	**107.4**	**107.1**
Durable Goods	71.6	69.2	3.5	71.1	71.1
Primary Metals	*6.0*	*5.7*	*5.3*	*6.0*	*6.0*
Fabricated Metals, Machinery, & Computers	*13.7*	*13.7*	*0.0*	*13.6*	*13.7*
Electrical/Electric Equipment (ex. Computers)	*11.6*	*11.7*	*-0.9*	*11.6*	*11.6*
Transportation Equipment	*18.1*	*17.5*	*3.4*	*18.1*	*18.0*
*Lumber/Furniture,Stone/Clay/Glass**	*9.9*	*9.8*	*1.0*	*9.7*	*9.9*
*Other Durable Goods**	*12.3*	*10.9*	*12.8*	*12.1*	*11.8*
Nondurable Goods	36.5	35.6	2.5	36.3	36.0
Food & Related Products	*11.7*	*11.6*	*0.9*	*11.6*	*11.5*
*Other Nondurable Goods**	*24.8*	*24.0*	*3.3*	*24.7*	*24.5*
Transportation, Communications, & Utilities	**42.6**	**41.8**	**1.9**	**42.4**	**43.0**
Railroad Transportation	2.5	2.3	8.7	2.5	2.5
Trucking & Warehousing	15.8	14.9	6.0	15.5	15.6
Transportation by Air*	6.6	6.9	-4.3	6.6	7.3
Other Transportation & Related Services*	3.2	3.2	0.0	3.2	3.1
Communications	7.1	6.9	2.9	7.2	7.2
Electric, Gas, & Sanitary Services	7.4	7.6	-2.6	7.4	7.3
Trade	**173.4**	**166.0**	**4.5**	**171.0**	**172.3**
Wholesale Trade	38.8	37.3	4.0	38.4	38.2
*Durable Goods**	*22.4*	*22.1*	*1.4*	*22.4*	*22.3*
*Nondurable Goods**	*16.4*	*15.2*	*7.9*	*16.0*	*15.9*
Retail Trade	134.6	128.7	4.6	132.6	134.1
Food Stores	*24.0*	*23.1*	*3.9*	*24.2*	*24.3*
Auto Dealers/Parts Stores, & Gas Stations	*16.0*	*15.3*	*4.6*	*15.8*	*15.8*
Eating & Drinking Places	*44.8*	*42.2*	*6.2*	*43.2*	*43.1*
*Home Furniture/Equipment & Clothing Stores**	*11.6*	*10.8*	*7.4*	*11.4*	*11.7*
*Gen. Merchandise/Building & Garden Supply**	*20.6*	*20.7*	*-0.5*	*20.5*	*21.7*
Miscellaneous Retail	*17.6*	*16.5*	*6.7*	*17.5*	*17.5*
Finance, Insurance, & Real Estate	**35.2**	**33.9**	**3.8**	**35.0**	**34.6**
Depository Institutions*	13.3	13.0	2.3	13.2	13.2
Other Finance/Insurance/Real Estate*	21.9	20.9	4.8	21.8	21.4
Services	**190.5**	**177.5**	**7.3**	**187.6**	**185.6**
Hotels & Lodging Places	13.8	12.4	11.3	13.6	13.4
Personal, Amusement & Recreational*	18.2	17.2	5.8	17.8	17.7
Computer-Related*	8.9	7.8	14.1	8.8	8.8
Other Business Services*	30.3	28.2	7.4	29.2	28.8
Auto Repair/Rental/Parking*	7.2	6.8	5.9	7.1	7.0
Health	47.9	44.6	7.4	47.7	47.4
Education/Social & Membership Organizations*	38.3	37.4	2.4	38.0	37.3
Legal & Miscellaneous Services	4.7	4.7	0.0	4.7	4.7
Engineering, Accounting, & Related*	15.1	13.4	12.7	15.0	14.9
Other Repair/Ag. Services & Museums, etc.*	6.1	5.0	22.0	5.7	5.6
Government	**155.3**	**152.0**	**2.2**	**154.7**	**153.0**
Federal Government	39.3	40.4	-2.7	38.9	38.3
*U.S. Defense**	*19.8*	*21.6*	*-8.3*	*19.9*	*20.0*
*Other Federal**	*19.5*	*18.8*	*3.7*	*19.0*	*18.3*
State Government	43.5	42.0	3.6	44.1	43.4
*State Education**	*23.9*	*23.4*	*2.1*	*24.4*	*23.7*
*Other State**	*19.6*	*18.6*	*5.4*	*19.7*	*19.7*
Local Government	72.5	69.6	4.2	71.7	71.3
*Public School Districts**	*48.0*	*46.3*	*3.7*	*47.4*	*47.2*
*Other Local**	*24.5*	*23.3*	*5.2*	*24.3*	*24.1*

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics (BLS). NOTE: Forecast data and cells marked by an asterisk (*) are not sanctioned by BLS.

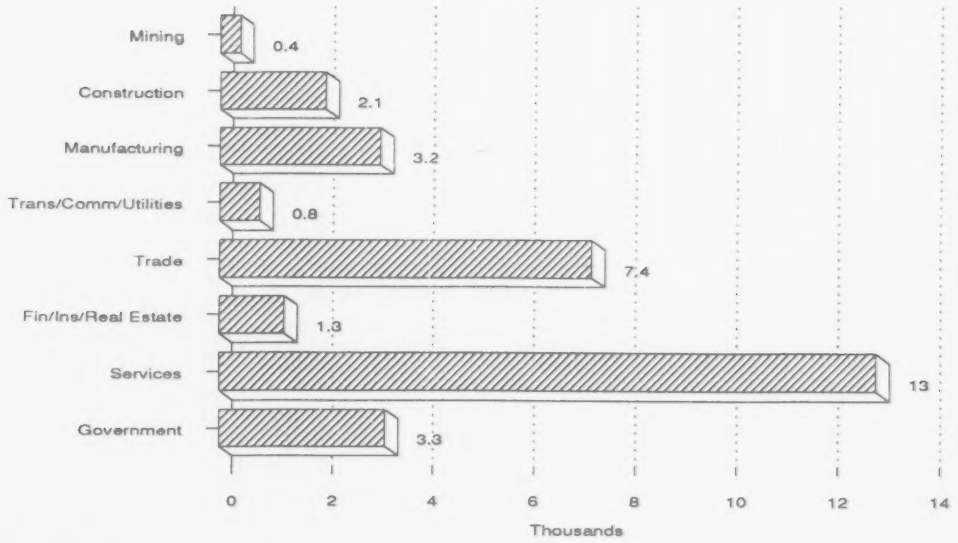
ADJUSTED

Table 2. Utah Civilian Labor Force and Nonagricultural Jobs Seasonally Adjusted *(Numbers in Thousands)*

	Mar 1991(r)	Mar 1990	Percent Change	Feb 1991(p)	Jan 1991(r)
CIVILIAN LABOR FORCE	810.2	787.3	2.9	809.1	803.0
Employed	776.4	752.4	3.2	774.6	767.1
Unemployed	33.8	34.9	-3.2	34.5	35.9
Percent of Labor Force	4.2	4.4	--	4.3	4.5
NONAGRICULTURAL JOBS	744.1	712.2	4.5	740.5	738.5
Mining	8.6	8.2	4.8	8.6	8.5
Contract Construction	29.3	26.9	8.9	29.2	28.9
Manufacturing	109.1	105.7	3.1	108.0	108.9
Durable Goods	72.2	69.8	3.5	72.1	72.1
Nondurable Goods	36.9	36.0	2.5	36.9	36.9
Trans., Comm., Public Utilities	43.0	42.2	1.9	42.9	43.7
Trade	177.0	169.5	4.5	175.7	174.8
Wholesale	39.1	37.6	4.0	39.0	38.7
Retail	137.9	131.9	4.6	136.7	136.1
Finance, Insurance & Real Estate	35.2	33.9	3.8	35.2	34.9
Services	189.3	176.4	7.3	187.3	186.1
Government	152.6	149.4	2.1	152.8	152.7
Federal Government	39.3	40.4	-2.7	39.2	38.8
State Government	42.1	40.6	3.6	42.5	42.6
Local Government	71.2	68.4	4.2	71.0	71.3

Source: Utah Department of Employment Security, Labor Market Information Services.

March 1990-91 Growth in Utah Nonfarm Jobs by Industry



Source: Utah Department of Employment Security, Labor Market Information Services.

Economic Events

Please note: Information contained in Economic Events is obtained from regional newspapers, local job service offices, trade publications, clipping services, and local area chamber of commerce publications.

- Hercules Aerospace has laid off 80 workers at its Bacchus plant in Magna. This brings the number of employees released since September to 282.

- Wilson Products Company is making a major expansion of its manufacturing division. The 38,000 square foot, $2 million expansion will require the hiring of 20 new people.

- Rexene Corporation, a maker of thermoplastic and petrochemical products, is scheduled to hire approximately 100 people in April for its 80,000 square foot facility at the Freeport Center in Clearfield.

- New York-based Borden Incorporated is consolidating its corporate accounting and management functions of three subsidiaries—Clover Club, Laura Scudder, and Southwest Snacks, at a facility in Airport Park near the Salk Lake City International Airport. Total personnel involved in the move could reach 130.

- Environmental Power Corporation will break ground on an $85 million cogeneration power plant near Sunnyside, Carbon County. The plant will provide 50 permanent jobs and 200 construction jobs during its 27-month construction phase.❐

Electronic Bulletin Board Service

We are continuing to add data to our electronic bulletin board service! The service is free and can be accessed via a statewide "800" number. Contact Dwight Norris at (801) 533-2748 for more information.❐

Utah's counties offer a mixed bag of unemployment rates

While most Utah counties are virtually ignoring the national recession, some areas are facing economic difficulties.

During the past fifteen months, the unemployment rates of most of Utah's counties have remained relatively stable. These counties have followed the trend of the state rate, which has ranged between 4.1 and 4.6 percent over the period and is presently at virtually the same level as in early 1990. In contrast, the U.S. rate has increased from 5.3 to 6.8 percent since March 1990.

Four of Utah's counties—Box Elder, Tooele, Uintah, and Carbon—have experienced substantial declines in their unemployment rates in the past 12 months. Box Elder and Tooele counties are both recovering from recent cutbacks in defense-related jobs, while Uintah and Carbon counties are recovering from long-term economic setbacks resulting from loss of mining jobs.

On the other hand, San Juan, Kane, and Emery counties have suffered recent layoffs resulting in unemployment rate increases and economic hardship. In San Juan County, cessation of uranium mining and milling operations late last fall pushed the unemployment rate from 7.3 percent in October to 10.4 percent in December. The problems in

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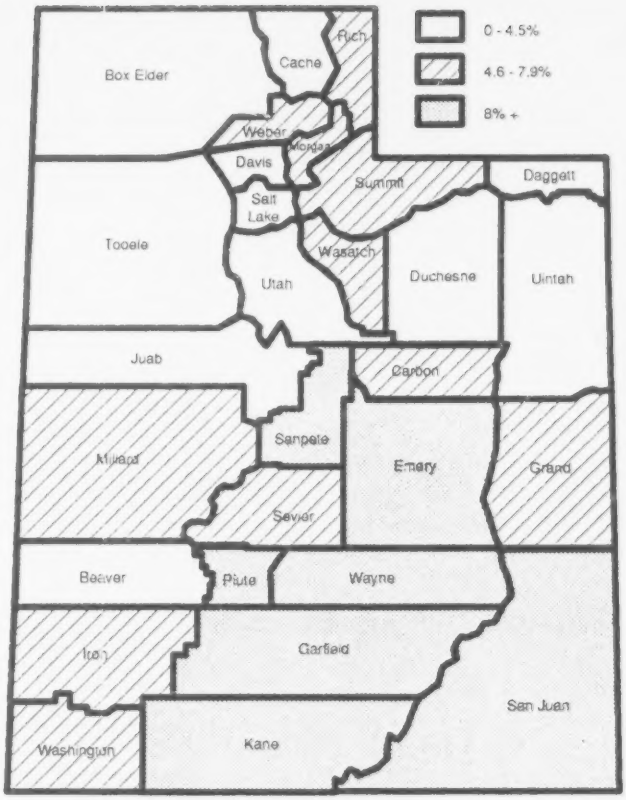


Unemployment Rates by County March 1991

- ***Box Elder, Tooele, Uintah, and Carbon counties have experienced substantial declines in unemployment during the past 12 months.***
- ***Utah, Davis, Morgan, Grand, Piute, San Juan, and Washington counties showed the highest job growth—more than 5 percent.***
- ***Unemployment was highest in Sanpete, Emery, Piute, Wayne, Garfield, Kane, and San Juan counties—over 8 percent.***
- ***The unemployment rate in 18 of Utah's 29 counties remain far lower than the national average.***
- ***The loss of jobs in San Juan, Emery, and Kane counties pushed their unemployment rates higher.***

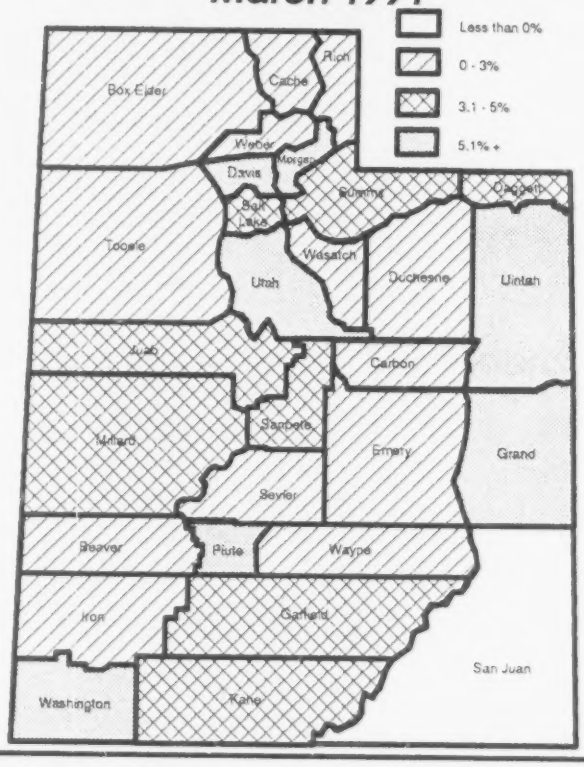
Continued from page 7

the uranium industry are also affecting Kane County. A mine nearby in Arizona began laying off workers the end of February, and roughly half are Kane County residents. Concurrently, a sawmill operation in nearby Fredonia, Arizona, also laid off several Kane County residents, with more layoffs occurring April 1. Emery County's problems stem from a coal mine layoff last summer and some wintertime construction unemployment.

Also, noteworthy is ongoing high unemployment in Piute, Garfield, Sanpete, and Wayne counties. But to end on a positive note, the unemployment rates in 18 of Utah's 29 counties are far lower than the national average.❐

Kenneth E. Jensen
Labor Market Economist

Year-Over Percent Change in Nonfarm Jobs by County March 1991



Metro Areas

Table 3. Civilian Labor Force and Nonfarm Jobs for SaltLake/Ogden and Provo/Orem Metropolitan Statistical Areas *(Numbers in Thousands)*

	Salt Lake/Ogden					Provo/Orem				
	Mar 1991(f)	Mar 1990	Percent Change	Feb 1991(r)	Jan 1991(p)	Mar 1991(f)	Mar 1990	Percent Change	Feb 1991(r)	Jan 1991(p)
CIVILIAN LABOR FORCE	**515.5**	**500.5**	**3.0**	**515.5**	**512.5**	**117.2**	**114.8**	**2.1**	**117.2**	**114.3**
Employed	492.9	476.6	3.4	492.9	490.6	112.2	110.1	1.9	112.2	109.7
Unemployed	22.6	23.9	-5.4	22.6	21.9	5.0	4.7	6.4	5.0	4.6
Rate	4.4	4.8	——	4.4	4.3	4.3	4.1	——	4.3	4.0
TOTAL NONFARM JOBS	**505.7**	**483.1**	**4.7**	**498.5**	**497.6**	**96.6**	**91.5**	**5.6**	**96.3**	**93.8**
Mining	3.0	2.6	15.4	3.0	3.0	0.0	0.0	0.0	0.0	0.0
Construction	18.6	16.9	10.1	17.4	17.4	2.7	2.5	8.0	2.5	2.7
Manufacturing	70.4	67.8	3.5	69.8	69.4	14.2	13.7	3.6	14.0	13.9
Durable	48.9	47.0	4.0	48.4	48.2	8.5	8.2	3.7	8.4	8.4
Nondurable	21.5	20.8	3.4	21.4	21.2	5.7	5.5	3.6	5.6	5.5
Trans/Comm/Utilities	33.2	32.2	3.1	33.1	33.4	2.4	2.6	-7.7	2.4	2.5
Trade	122.5	117.7	4.1	119.6	122.3	21.6	20.5	5.4	22.5	20.7
Wholesale	31.9	30.4	4.9	30.5	31.3	3.7	3.7	0.0	4.7	3.6
Retail	90.6	87.3	3.8	89.1	91.0	17.9	16.8	6.5	17.8	17.1
Fin/Ins/Real Estate	28.5	27.5	3.6	28.3	28.1	2.4	2.3	4.3	2.3	2.3
Service	128.5	119.2	7.8	126.4	124.6	37.9	35.1	8.0	37.3	36.5
Government	101.0	99.2	1.8	100.9	99.4	15.4	14.8	4.1	15.3	15.2

Source: Utah Department of Employment Security, Labor Market Information Services.

By County

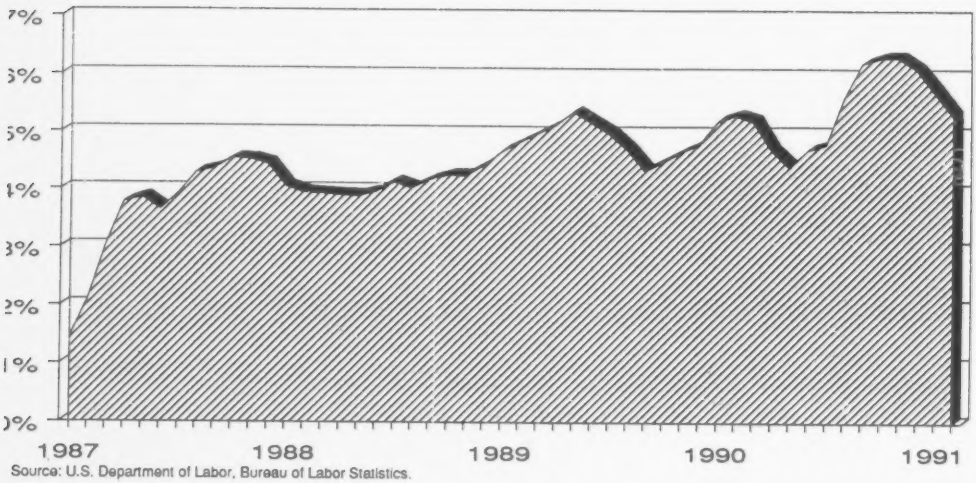
Table 4. Unemployment Rates and Nonfarm Jobs in Utah by County

	Seasonally Adjusted Unemployment Rate				Nonfarm Wage and Salary Jobs				
	Mar 1991(f)	Feb 1991(p)	Jan 1991(r)	Mar 1990	Mar 1991(f)	Mar 1990	Percent Change	Feb 1991(p)	Jan 1991(r)
STATE TOTAL	**4.2**	**4.3**	**4.5**	**4.4**	**739,600**	**708,090**	**4.4**	**731,200**	**728,900**
Bear River	**3.7**	**3.7**	**4.2**	**4.5**	**44,150**	**43,280**	**2.0**	**44,130**	**44,630**
Box Elder	3.4	4.1	4.4	5.0	15,000	14,820	1.2	14,950	15,320
Cache	3.7	3.4	4.2	4.3	28,830	28,140	2.5	28,860	29,000
Rich	6.4	3.4	1.5	2.0	320	320	0.0	320	310
Wasatch Front	**3.9**	**3.9**	**4.2**	**4.2**	**517,360**	**494,390**	**4.6**	**510,030**	**509,060**
Wasatch Front North	**4.4**	**4.1**	**4.8**	**4.6**	**128,350**	**124,110**	**3.4**	**127,280**	**127,120**
Davis	3.8	3.7	4.3	3.9	60,660	57,360	5.8	60,050	59,220
Morgan	7.5	5.8	8.1	7.4	1,040	980	6.1	1,040	990
Weber	5.0	4.6	5.3	5.2	66,650	65,770	1.3	66,190	66,910
Wasatch Front South	**3.6**	**3.9**	**4.0**	**4.0**	**389,010**	**370,280**	**5.1**	**382,750**	**381,940**
Salt Lake	3.6	3.8	4.0	3.9	378,370	359,930	5.1	372,290	371,390
Tooele	3.9	4.4	4.7	5.4	10,640	10,350	2.8	10,460	10,550
Mountainland	**3.5**	**3.8**	**4.1**	**3.7**	**108,640**	**103,500**	**5.0**	**108,630**	**106,590**
Summit	5.6	5.5	6.2	5.5	9,810	9,420	4.1	9,940	10,250
Utah	3.2	3.5	3.8	3.5	96,440	91,700	5.2	96,320	93,870
Wasatch	7.1	5.8	6.4	6.2	2,390	2,380	0.4	2,370	2,470
Central	**6.5**	**7.6**	**7.0**	**6.7**	**14,760**	**14,330**	**3.0**	**14,530**	**14,580**
Juab	2.1	5.3	5.4	5.3	1,750	1,680	4.2	1,730	1,720
Millard	5.1	4.8	4.7	4.3	3,430	3,300	3.9	3,410	3,440
Piute	17.8	15.4	17.2	16.8	190	180	5.6	190	180
Sanpete	9.0	11.4	9.4	9.7	4,040	3,890	3.9	3,970	3,940
Sevier	5.2	5.9	6.0	5.4	4,880	4,820	1.2	4,780	4,850
Wayne	8.8	9.5	10.8	7.9	470	460	2.2	450	450
Southwestern	**5.4**	**5.3**	**5.7**	**4.8**	**27,150**	**25,760**	**5.4**	**26,970**	**26,470**
Beaver	2.6	5.5	4.1	5.2	1,240	1,210	2.5	1,220	1,240
Garfield	11.5	11.5	11.0	10.5	1,250	1,200	4.2	1,160	1,140
Iron	5.1	5.0	5.4	4.7	7,850	7,660	2.5	7,940	7,760
Kane	9.4	7.2	6.5	6.1	1,470	1,410	4.3	1,400	1,390
Washington	4.8	4.8	5.5	4.2	15,340	14,280	7.4	15,250	14,940
Uintah Basin	**4.2**	**5.1**	**6.1**	**5.9**	**10,510**	**10,060**	**4.5**	**10,390**	**10,670**
Daggett	2.3	2.2	3.4	1.4	280	270	3.7	260	260
Duchesne	4.2	6.0	7.2	5.5	3,700	3,610	2.5	3,650	3,720
Uintah	4.3	4.8	5.6	6.3	6,530	6,180	5.7	6,480	6,690
Southeastern	**7.3**	**7.6**	**8.0**	**7.1**	**17,060**	**16,760**	**1.8**	**16,540**	**16,920**
Carbon	5.9	5.9	6.5	7.4	7,750	7,640	1.4	7,670	7,730
Emery	8.7	8.9	9.2	7.8	3,610	3,610	0.0	3,500	3,630
Grand	7.3	7.9	7.5	6.0	2,400	2,190	9.6	2,180	2,250
San Juan	9.1	10.0	10.3	6.7	3,300	3,320	-0.6	3,190	3,310
Salt Lake/Ogden MSA	**3.9**	**3.9**	**4.2**	**4.1**	**505,700**	**483,100**	**4.7**	**498,500**	**497,600**
Provo/Orem MSA	**3.2**	**3.5**	**3.8**	**3.5**	**96,440**	**91,700**	**5.2**	**96,320**	**93,870**

Source: Utah Department of Employment Security, Labor Market Information Services.

Note: Seasonally adjusted unemployment rates should not be used for federal or state funding applications.

Year-over Percent Increase in U.S. Consumer Price Index



Source: U.S. Department of Labor, Bureau of Labor Statistics.

PRICES

Table 5. Current U.S. Price Indices

	INDEX		Percent
	Feb 1991	Feb 1990	Change
CONSUMER PRICES (1982-84=100)			
ALL ITEMS (CPI-U[1])	**134.8**	**128.0**	**5.3**
Food and Beverages	136.0	130.9	3.9
Food at Home	135.7	132.1	2.7
Housing	132.4	126.1	5.0
Rent Residential	141.5	136.0	4.0
Fuel and Other Utilities	114.7	110.2	4.1
Medical Care	172.5	157.5	9.5
Apparel and Upkeep	126.2	120.4	4.8
Transportation	123.7	117.1	5.6
Gasoline	99.3	90.2	10.1
Energy[3]	102.8	96.0	7.1
PURCHASING POWER OF CONSUMER DOLLAR: (1982-84 = $1.00)	**$0.742**	**$0.782**	**-5.1**
ALL ITEMS (CPI-W[2])	**132.8**	**126.4**	**5.1**
PRODUCER PRICES (1982 = 100)			
ALL COMMODITIES	**117.2**	**114.4**	**2.4**
Finished Goods	121.2	117.4	3.2
Intermediate Materials	115.5	112.5	2.7
Crude Materials	104.4	106.8	-2.2

1 Consumer Price Index—All Urban Consumers.

2 Consumer Price Index—Urban Wage Earners and Clerical Workers.

3 Energy is a special group index consisting of prices paid for the following: fuel oil, coal, bottled gas, electricity, gasoline, and motor oil and coolant. It is not one of the components of the "All Items" as its subcomponents are already included.

Source: U. S. Department of Labor, Bureau of Labor Statisitcs.

Job Service

Table 6. Employment Security Activities in Utah

	March 1991(p)	March 1990	Percent Change	Feb 1991
Nonfarm Jobs Available	18,616	19,498	-4.5	17,558
New Applications for Jobs	10,416	10,259	1.6	8,623
Total Nonfarm Job Placements	6,717	7,417	-9.4	5,832
Initial Claims	1,257	1,016	23.7	1,057
Weeks Claimed	13,598	11,834	14.9	14,706
Insured Unemployment Rate	2.07	1.86	-.-	2.22
Reserve Fund Balance	$8,661,238	$6,608,714	31.1	$7,840,358

Note: All claims data include Regular UI, UCFE, and UCX claims only and are listed for the week containing the 15th day of the month.

Source: Utah Department of Employment Security, Labor Market Information Services.

New Data, New Publications

The following data and/or publications are now available:

- ☐ **Final Third Quarter 1990 Nonfarm Jobs and Wages by county and industry.**
- ☐ **Historical Consumer Price Index (CPI-U and CPI-W) series, by month, 1978-1990.**
- ☐ ***Utah Reporting Units: Employment and Wages by Firm Size, 1990.***
- ☐ **Selected Demographic, Labor Market, and Economic Characteristics for Iron County.**

If you would like to receive copies, please check the desired items and fill in your name and address.

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Mail to: Labor Market Information Services, Utah Department of Employment Security, P.O. Box 11249, Salt Lake City, UT, 84147-0249.

Hours and Earnings

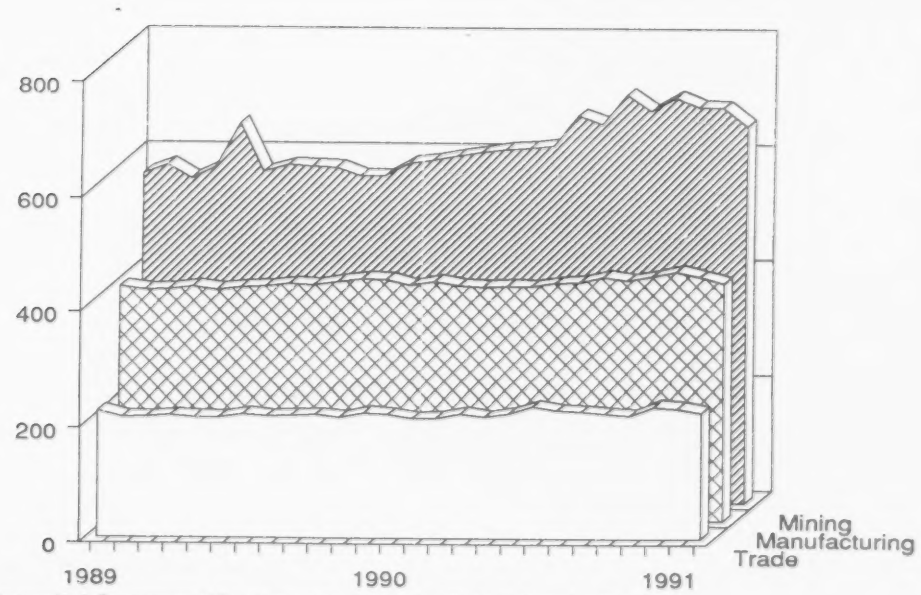
Table 7. Hours and Earnings of Production Workers in Utah

	Average Weekly Earnings				Average Weekly Hours			
	Feb 1991	Feb 1990	% Chng	Jan 1990(r)	Feb 1991(p)	Feb 1990	% Chng	Jan 1990(r)
MINING	**654.60**	**600.93**	**8.9**	**670.56**	**44.2**	**42.2**	**4.7**	**45.4**
Metal Mining	738.78	722.29	2.2	740.03	42.0	40.9	2.7	43.0
Bituminous Coal Mining	659.86	559.20	18.0	669.37	48.2	44.7	7.8	49.4
MANUFACTURING	**412.26**	**413.48**	**-0.3**	**412.52**	**39 3**	**40.3**	**-2.5**	**39.4**
Durable Goods	426.49	421.61	1.2	426.26	39.6	40.5	-2.2	39.8
Primary Metals	524.51	512.09	2.4	545.73	40.1	41.0	-2.2	41.5
Fabricated Metal Prod. and Mach.	406.93	390.74	4.1	395.36	39.7	40.2	-1.2	39.3
Transportation Equipment	562.21	564.71	-0.4	555.86	41.8	42.3	-1.2	41.7
Nondurable Goods	383.30	396.41	-3.3	384.23	38.6	39.8	-3.0	38.5
Food and Kindred Products	353.81	353.81	0.0	336.04	39.4	39.4	0.0	38.1
TRADE	**220.98**	**208.97**	**5.7**	**218.68**	**29.0**	**27.9**	**3.9**	**28.4**
Wholesale	378.71	363.96	4.0	388.11	38.1	36.0	5.8	38.2
Retail	178.08	163.97	8.6	173.63	26.5	25.5	3.9	25.8
Food Stores	158.87	142.00	11.9	156.78	25.5	25.0	2.0	26.0
Other Retail	159.13	156.17	1.9	153.92	25.1	24.1	4.1	25.4

Note: Average hours include hours actually worked or remunerated. Average weekly earnings include incentive and premium pay. Data may be affected by labor disputes.

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Average Weekly Wage for Selected Industries



Source: Utah Department of Employment Security, Labor Market Information Services

The Economy of Washington County

Washington County is known as the hottest non-metro economy in the State. Just how fast is this area growing? What industries are flourishing? What jobs are being created? Are wages keeping up with the rest of the State? Is the economy as "hot" as it seems?

Population

The newly available 1990 U.S. Bureau of the Census county population figures indicate that Washington County's population was 48,560, up 86 percent or 22,435 from 1980. This compares with a state increase of 18 percent. Since 1980, the county's 86.3 percent growth rate has far exceeded the growth rates of all other counties in the State. The next fastest growing counties were Summit at 52 percent, Kane at 29 percent, and Davis at 26 percent. At the bottom of the scale, six counties had population decreases. Grand's loss was the largest at almost 20 percent.

At this time, census migration figures are not available. But, preliminary analysis indicate that 75 percent of the 22,435 increase in Washington County's population since 1980 resulted from people moving into the county. Washington County was the only area in the State during the 1980s where inmigration played such an important part.

Unemployment Rate

In 1990, the United States experienced the start of a recession and the coincident rise in unemployment rates. In Washington County, signs of a recession were not evident; but, the county did experience a slight rise in its unemployment to 4.4 percent from 4.3 percent in 1989. However, in 1990, the county's un-

- ***Between 1980 and 1990, Washington County experienced the highest population growth of all Utah counties—86 percent.***
- ***Washington County's 1990 unemployment rate of 4.3 percent was one of the lowest non-metro jobless rates and equaled the state figure.***
- ***The county created 1,600 news jobs in 1990 for a annual growth rate of almost 12 percent. (Utah's rate was 4.7 percent.)***
- ***The value of residential construction permits increased 66 percent between 1989 and 1990. In 1990, one out of every 9 new authorized dwelling units were located in Washington County.***
- ***Almost half of the income received by persons in Washington County is from property income (dividends, interest, rent) and from transfer payments (social security, retirement income, government payments, unemployment insurance benefits, etc.).***

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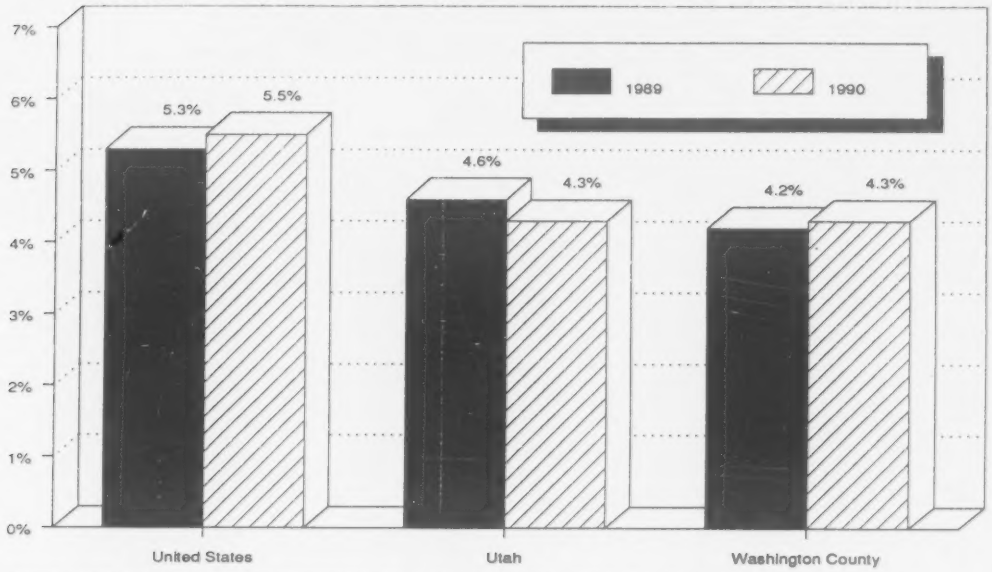
Annual Unemployment Rates



Source: Utah Department of Employment Security, Labor Market Information Services

employment rate registered the same as State of Utah at 4.3 percent, and lower than the 5.5 percent for the Nation. Most of the increase in the number of people unemployed seems due to people entering the county's labor force for the first time. Despite its slight rise in unemployment, Washington County was among the counties with the lowest unemployment rates in the Utah. Only eight Utah counties had the same or lower rates than Washington County in 1990.

Nonagricultural Jobs

In 1988, nonagricultural job growth in Washington County totaled about 680 positions. In 1989, the number of new jobs increased to 1,350. By 1990, new jobs had continued to expand with over 1,600 new positions created. The new 1988 Washington County jobs represented 3 of every 100 new jobs in the State. In 1990, the county increased its share of new jobs to 5 of every 100 new jobs—significantly higher than its 3 percent share of the population.

The county's 12 percent job growth in 1990 was two and one-half times greater than the state average of 4.7 percent. However, like the State in general, most of the new jobs in Washington County came in services and trade (500 and 360 respectively). However, manufacturing added 300 positions—for a 23 percent growth rate for this important industry.

Since 1986, nonfarm jobs in St. George have increased from approximately 8,500 to 11,800 in 1990, a gain of 39 percent—an average annual growth of nearly 10 percent per year. Comparatively, the State's growth over this period has averaged 3.5 percent per year.

Changing Industrial Dispersion

Private industry's share of total jobs in Washington County increased from 74 percent to 82 percent from 1980 to 1990

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at the expense of the public sector which decreased from 26 to 18 percent.

Increased shares of jobs have occurred primarily in private sector service-producing industries: from 54 percent in 1980 to 64 percent (nearly two-thirds) of total jobs in 1990. The share of jobs in goods-producing industries declined from 20 percent to 18 percent. At the same time, the state's goods-producing industries in aggregate declined from 25 to 20 percent.

Major Employers and Payrolls

The Washington County School District continues to be the largest employer in the county in terms of both employment and payroll. Since Dixie College is number three in jobs and number six in payroll, education ranks as the largest single industry in the county. During third quarter 1990, education accounted for over 1,400 jobs and $7.6 million in payroll.

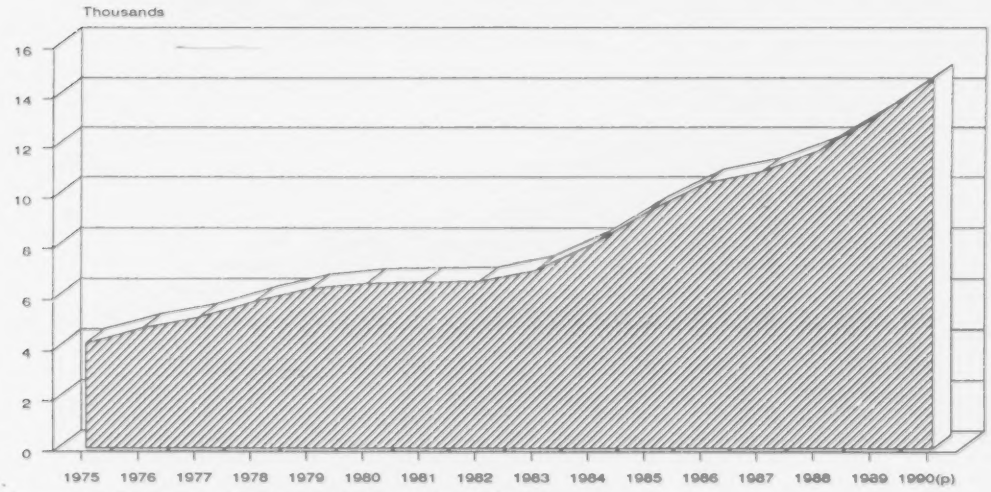
The largest private employer in terms of both jobs and payroll is the Dixie Medical Center. During third quarter 1989, the medical services industry, which includes Dixie Medical Center, accounted for 1,300 jobs and $6.1 million in payroll, making it the second most important industry in the county.

Employment/Payrolls by Firm Size

One out of every two employers in Washington County employs four or fewer people. However, these same firms account for less than 10 percent of the total jobs and 10 percent of total annual payrolls. Statewide figures indicate a comparable share of employers with four or fewer workers, but they account for an even smaller portion of total jobs and wages than in Washington County.

At the other end of the spectrum, less than 2 percent of Washington County employers have 100 or more employees, but they provide 24 percent of jobs and 29 percent of total annual payrolls. During third quarter 1990, there were 22 employers in Washington County with

Washington County Nonfarm Job Growth



Source: Utah Department of Employment Security, Labor Market Information Services

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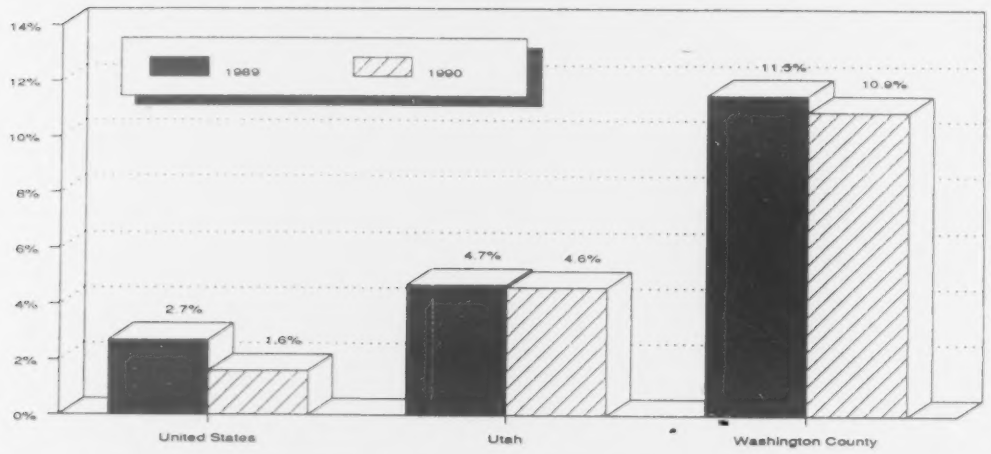
Nonfarm Job Growth



Source: Utah Department of Employment Security, Labor Market Information Services

100 or more workers; they provided 32 percent of all nonfarm jobs. These employers also paid 42 percent of total quarterly payrolls.

St. George's Share of County Jobs

In 1989, St. George claimed 73 percent of firms, 80 percent of employment, and 80 percent of payrolls in Washington County. For all private sector industries" except construction, St. George accounts for 70 percent or more of all firms and 75 percent of the employment in the county. In government, St. George's share of county employment was 71 percent while representing just 48 percent of all government entities.

Purchasing Power

The American Chamber of Commerce Researchers Association (ACCRA) included St. George in its national survey during 1990. This survey produces a "cost of living index" which is a "reasonably accurate measure of living cost differences among urban areas." In first quarter 1990, the composite index for St. George stood at 90.3 compared with 92.9 for Salt Lake City. This meant that for that period of time, a person could get slightly more for their money in St. George than in Salt Lake. St. George was more expensive in groceries, transportation, and housing, but less expensive in utilities, health, and miscellaneous goods & services.

However, cost of goods and services is just part of the equation. What about wages and taxes? Because they play a very important part in the purchasing power of individuals it would be nice for them to also be considered. Since the ACCRA index does not include any of these items, Job Service has factored in one component, wages, in a buying power index that is published every year in its *Utah Labor Market Report*. For 1989, St. George had a buying power index of 75.7, Cedar City an index of 79.1, and Salt Lake City an index of 102.6. Based on 100 being the national average, a number greater than 100 means that a wage earner has greater than average purchasing power and a

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number less than 100 means an average wage earner has less buying power. For the three cities listed above, based on wages and cost of living, a person is slightly better off in Cedar City than in St. George, but Salt Lake City workers have much higher buying power. However, keep in mind that this comparison is between a metropolitan and non-metropolitan areas, which may or may not be an accurate comparison.

Between 1980 and 1989, the consumer price index for urban consumers increased by 50.5 percent. Did wages in Washington County keep up with this inflation? Over the same period, the average monthly wage of Washington County nonfarm workers increased only 41.9 percent (from $841 to $1,193). If wages had kept up with inflation, the average wage would have been $1,266. Consequently, the purchasing power of the average wage was $73 less than it would have been if wage increases had matched inflation.

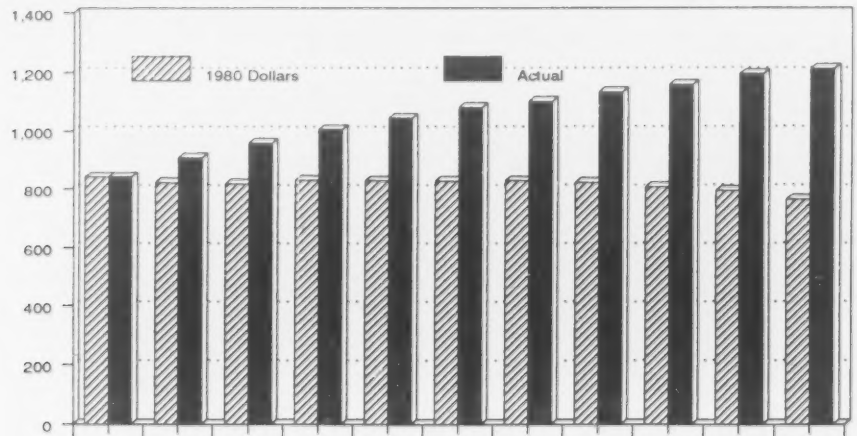
Retail Sales

Gross taxable (retail) sales volume, from 1980-1990, increased three-fold in Washington County, and over three-fold in St. George. Comparatively, Utah's gross taxable sales grew by 65.3 percent for the same period. Gross sales volume in St. George has grown an average of 13.1 percent (not compounded) every year since 1980. St. George's sales, as a share of Washington County sales, have increased from 75 percent to 83 percent during this period.

Room Rents

Washington County's gross taxable room rents exceeded an estimated $17 million in 1990. The value of room rents has increased by an average of $1 million plus per year since 1987. The largest yearly gain (almost $2.4 million) occurred in 1988. In 1990, the increase was an estimated $1.8 million. From 1980 to 1990, Washington County's total room rents increased by nearly three-

Washington County Average Monthly Wages



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990(f)
1980 Dollars	841	822	818	831	828	827	828	822	808	793	763
Actual	841	907	958	1,005	1,044	1,080	1,101	1,133	1,157	1,193	1,210

Source: Utah Department of Employment Security, Labor Market Information Services

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fold (11.5 percent annually). Unlike many areas of Utah, Washington County enjoys a high and relatively level stream of tourism.

Residential Construction

The value of residential construction building permits ($52.9 million) issued during 1990 for Washington County registered 65.7 percent higher than in 1989. On the other hand, the State's figure grew only 29.4 percent during the same time period. A dramatic turn around in the number of dwelling units constructed occurred in 1990. Each year between 1985 and 1989, the number of building permits for new dwelling units dwindled. However, in 1990, the number jumped to 805 from 482 in 1989 to its highest level since 1986. This awakening of the construction industry took place in the State as well.

In St. George, the number of new dwelling units increased by 241, a 77.7 percent increase. This surge in new residential construction helped push construction employment in the county to 900 workers in 1990, a gain of 180 positions from a year ago.In 1990, one out of every 13 (7.9 percent) new dwelling units in Utah were in St. George.

Taxable Income

Data from income tax returns filed in 1989 show that taxpayers in St.George and Washington County received 14 to 15 percent less income than the average taxpayer in the State of Utah. The average income per tax return for Washington County was $21,861, compared to $25,644 for the State.

Personal Income

From 1987 to 1988, total personal income (TPI) in Washington County increased by 8 percent to a total of $425 million. This was one of the highest TPI growth rates of all counties in Utah, and better than the state's 6.4 percent. However, because of the county's rapid population growth, its per capita income increased approximately one-half as much as the 6 percent State increase. Consequently, per capita income in Washington County declined from 82 percent of the state's per capita income to 80 percent. Washington county's per capita income in 1988 was $9,787 compared to $12,189 for the State. Other factors contributing to Washington County's slow per capita income growth are:

- *Its relatively large population of youth and retired persons*
- *Faster employment growth in lower-paying trade and service industries.*

The largest single source of personal income in Washington County continues to be property income (dividends, interest, and rent), which accounts for over 22 percent of total personal income. The corresponding figure for the state is only 14 percent.

The second largest source of income (21 percent) in Washington County is transfer payments (money received for which current work or service is not rendered). Examples of transfer payments are social security benefits, military retirement, pensions form private employers, and unemployment insurance benefits. In contrast, only 15 percent of TPI came from transfer payments in Utah. In other words, nearly one-half of all income in the county is generated by properties/investments or is paid from government and private pension sources which are located beyond the borders of the county. Not surprisingly, over 90 percent of Utahns work for wages and other types of labor income compared to only 78 percent in Washington County.❐

Brad McGarry
Labor Market Economist

A recent report released by the Bureau of the Census indicates that 37 percent of employed Americans used a computer at work in 1989—up from 25 percent in 1984.

Job Service Announces New Director of Labor Market Information Services

William R. Horner has been selected as the new director of the Labor Market Information Services at the Utah Department of Employment Security (Job Service). Mr. Horner has worked for many years at Job Service—most of which have been in the Labor Market Information area.

Data Definitions

(f)—forecast.

(p)—preliminary.

(r)—revised.

Salt Lake/Ogden Metropolitan Statistical Area (MSA)—Salt Lake, Ogden, and Weber counties.

Provo/Orem Metropolitan Statistical Area (MSA)—Utah County.

Employed Persons—Civilians who did any work as paid employees, worked more than 15 hours as unpaid workers in a family business, or were temporarily absent from work because of illness, bad weather, vacation, labor-management disputes. Each person is counted only once.

Unemployed Persons—Civilians who had no employment, were available for work, and made specific efforts to find work sometime during the prior four weeks. Persons waiting to be recalled to a job or waiting to report for a new job within 30 days need not be looking for work to be classified as unemployed.

Civilian Labor Force—Employed persons plus unemployed persons. Individuals are counted by place of residence.

Unemployment Rate—Unemployed persons as a percentage of the civilian labor force.

Nonfarm Employment—A count of jobs by place of work for the pay period including the 12th of the month. Excludes proprietors, the self-employed, unpaid/volunteer workers, military personnel, Central Intelligence Agency employees, and employees of the National Security Agency. Includes salaried officers of corporations.

Production and Related Workers—Includes working supervisors and all nonsupervisory workers closely associated with the production process.

Average Weekly Hours—The average hours for which pay was received during the pay period including the 12th of the month. Includes paid holidays, vacations, and sick leave.

Average Weekly Earnings—Includes hourly and incentive pay and is reported before deductions. Includes pay for overtime, holidays, vacation, and sick leave.

Initial Claims—Request by an individual following a period of unemployment to determine entitlement to compensation under unemployment insurance laws .

Weeks Claimed—Requests for weekly unemployment insurance benefits filed by claimants.

Insured Unemployment Rate—The ratio of (1) the number of weeks claimed by individuals under the unemployment compensation program to (2) average employment covered by the program.

Reserve Fund Balance—Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Utah Labor Market Report

Floyd G. Astin, Administrator

William R. Horner, Director, Labor Market Information Services

Lecia Parks Langston, Chief Economist

The Utah Labor Market Report is published by the Labor Market Information Services Division of the Utah Department of Employment Security, 174 Social Hall Avenue, Salt Lake City, Utah. To order this publication, call (801) 533-2293.

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